

TOWN OF BINGER

June 30, 2013

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**Independent Accountant's Report
On Applying Agreed-Upon Procedures**

To the Specified Users of the Report:

Town Council, Town of Binger
Binger, Oklahoma

Trustees of the Binger Public Works Authority
Binger, Oklahoma

Oklahoma Office of State Auditor and Inspector
Oklahoma City, Oklahoma

Caddo County Clerk
Anadarko, Oklahoma

United States Department of Agriculture Rural Development
Hobart, Oklahoma

Association of South Central Oklahoma Government
Duncan, Oklahoma

We have compiled the accompanying Summary of Changes in Fund Balances-Modified Cash Basis of the Town of Binger and Public Trust, Binger, Oklahoma as of June 30, 2013 and the related Budgetary Comparison Schedule of General Fund-Modified Cash Basis, Budgetary Comparison Schedule of Clinic Fund-Modified Cash Basis, Budgetary Comparison Schedule of Street & Alley Fund-Modified Cash Basis, Budgetary Comparison Schedule of REAP Grant Fund-Modified Cash Basis, Statement of Revenues, Expenses and Changes in Fund Balance of Binger Public Works Authority-Modified Cash Basis, and Schedule of Grant Activity-Modified Cash Basis for the fiscal year ended June 30, 2013. The financial statements have been prepared in a format and basis of accounting as prescribed by Oklahoma statutes, that demonstrates compliance with the modified cash basis and budget laws of the State of Oklahoma, which is a comprehensive basis of accounting other than generally accepted accounting principles. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with the modified cash basis and budget laws of the State of Oklahoma.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis and the requirements of Oklahoma statutes and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared in accordance with the modified cash basis of accounting. If the omitted

disclosures were included in the financial statements, they might influence the user's conclusions about the Town's assets, liabilities, equity, revenues, and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Additionally, we have performed the procedures enumerated below which were agreed to by the specified users of the report, as identified above, and as defined within the applicable state laws of the State of Oklahoma solely to assist the Town and Public Works Authority in meeting its financial accountability requirements as prescribed by Oklahoma Statutes §11-17 (105-107) and §60-180.1-.3 and evaluating compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2013. Management of the Town of Binger is responsible for the Town's financial accountability and its compliance with those legal and contractual requirements. This agreed-upon procedures engagement was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose

Procedures and Findings

As to the **Town of Binger** as of and for the fiscal year ended June 30, 2013:

1. **Procedures Performed:** From the Town's trial balances, we prepared a schedule of changes in fund balances for each fund (see accompanying Exhibit 1) and compared the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

Findings: No exceptions were found as a result of applying the procedure.

2. **Procedures Performed:** From the Town's trial balances, we prepared a budget and actual financial schedule for the General Fund and any other significant funds (any fund whose revenues, expenditures or ending fund balance exceeds 10% of the Town's total revenues, expenditures or fund balances) listing separately each federal fund (see accompanying Exhibit 2) and compared the actual expenditures and encumbrances reported to the authorized appropriations to report any noted instances of noncompliance with the appropriation limitations.

Findings: No exceptions were found as a result of applying the procedure.

3. **Procedures Performed:** We agreed the Town's material bank account balances to bank statements, and traced the timely clearance of significant reconciling items to report any significant or unusual instances of reconciling items that have not cleared.

Findings: No exceptions were found as a result of applying the procedure.

4. **Procedures Performed:** We compared the Town's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

Condition: The Town and PWA did not have sufficient collateral pledged to cover all accounts at year end. They were short \$29,450.

Cause: More revenue was received at the end of year than anticipated and collateral was not reviewed until the year had ended.

Criteria: The Town should be comparing uninsured deposits to fair value of pledged collateral and increasing the amounts as needed to cover all uninsured and uncollateralized deposits.

Recommendation: No recommendation required. The Town corrected this finding in July by increasing the collateral pledged for its accounts.

Management's Corrective Action Plan: The Town has scheduled to request printouts from the bank rather than wait for them to send it. This will eliminate any instances of insufficient collateral pledged to cover all accounts.

5. **Procedures Performed:** We compared use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

Findings: No exceptions were found as a result of applying the procedure.

6. **Procedures Performed:** We compared the accounting for the Town's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

Findings: No exceptions were found as a result of applying the procedure.

7. **Procedures Performed:** We compared the Town's account balances in reserve accounts to contractually required balances and debt service coverage requirements of bond indentures to the actual coverage to report any noted instances of noncompliance.

Findings: No exceptions were found as a result of applying the procedure.

As to the **Binger Public Works Authority**, as of and for the fiscal year ended June 30, 2013:

1. **Procedures Performed:** From the Authority's trial balances, we prepared a schedule of revenues, expenditures/expenses and changes in fund balances/net assets for each fund (see accompanying Exhibit 3) and compared the schedule results to the applicable trust prohibitions for creating fund balance deficits to report any noted instance of noncompliance.

Findings: No exceptions were found as a result of applying the procedure.

2. **Procedures Performed:** We agreed the Authority's material bank account balances to bank statements, and traced the timely clearance of significant reconciling items to report any significant or unusual instances of reconciling items that have not cleared.

Findings: No exceptions were found as a result of applying the procedure.

3. **Procedures Performed:** We compared the Authority's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

Condition: The Town and PWA did not have sufficient collateral pledged to cover all accounts at year end. They were short \$27,946.

Cause: More revenue was received at the end of year than anticipated and collateral was not reviewed until the year had ended.

Criteria: The Authority should be comparing uninsured deposits to fair value of pledged collateral and increasing the amounts as needed to cover all uninsured and uncollateralized deposits.

Recommendation: No recommendation required. The Authority corrected this finding in July by increasing the collateral pledged for its accounts.

Management's Corrective Action Plan: The Authority has scheduled to request printouts from the bank rather than wait for them to send it. This will eliminate any instances of insufficient collateral pledged to cover all accounts.

4. **Procedures Performed:** We compared the Authority's use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

Findings: No exceptions were found as a result of applying the procedure.

5. **Procedures Performed:** We compared the accounting for the Authority's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

Findings: No exceptions were found as a result of applying the procedure.

6. **Procedures Performed:** We compared the Authority's account balances in reserve accounts to contractually required balances and debt service coverage requirements of bond indentures to the actual coverage to report any noted instances of noncompliance.

Findings: No exceptions were found as a result of applying the procedure.

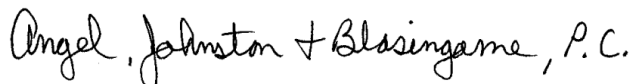
As to the **Town of Binger and Public Trust Grant Programs**, as of and for the fiscal year ended June 30, 2013:

1. **Procedures Performed:** From the Town and Authority's trial balances, we prepared a schedule of grant activity for each grant/contract (see accompanying Exhibit 4) and compared the receipts and disbursements to grant agreements and supporting information to report any noted instances of noncompliance with the grant agreement.

Findings: No exceptions were found as a result of applying the procedure.

We were not engaged to and did not conduct an audit, the objective of which would be the expression of an opinion on the accounting records. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the specified users, as identified above, and is not intended to be and should not be used by anyone other than these specified parties.



Angel, Johnston and Blasingame, P.C.

September 13, 2013

TOWN OF BINGER AND PUBLIC TRUST
Binger, Oklahoma

SUMMARY OF CHANGES IN FUND BALANCES-MODIFIED CASH BASIS
For the Fiscal Year Ended June 30, 2013
(Unaudited)

	<u>Beginning of Year Fund Balances</u>	<u>Current Year Receipts</u>	<u>Current Year Disbursements</u>	<u>End of Year Fund Balance</u>
TOWN:				
General Fund	\$ 79,707	\$ 185,653	\$ 153,604	\$ 111,756
Cleet Fund	339	2,015	2,274	80
Clinic Fund	52,290	17,148	3,100	66,338
Fire Department Tax Fund	6,327	15,865	13,059	9,133
Capital Improvement Fund	23,608	10,006	17,300	16,314
Fire Truck Improvement Fund	1,901	19,102	16,556	4,447
Street & Alley Fund	71,299	34,710	43,396	62,613
REAP Grant Fund	-	59,000	58,999	1
City Subtotal	\$ <u>235,471</u>	\$ <u>343,499</u>	\$ <u>308,289</u>	\$ <u>270,682</u>
PUBLIC WORKS AUTHORITY:				
Binger Public Works Authority	105,805	255,700	261,325	100,180
Meter Deposits Fund	13,128	2,930	2,390	13,668
Loan Payment Fund	6,082	6,813	6,395	6,500
Reserve Account Fund	13,889	36	-	13,925
PWA Subtotal	\$ <u>138,904</u>	\$ <u>265,480</u>	\$ <u>270,110</u>	\$ <u>134,274</u>
Overall Totals	\$ <u><u>374,375</u></u>	\$ <u><u>608,979</u></u>	\$ <u><u>578,398</u></u>	\$ <u><u>404,956</u></u>

TOWN OF BINGER AND PUBLIC TRUST
Binger, Oklahoma

BUDGETARY COMPARISON SCHEDULE-MODIFIED CASH BASIS
GENERAL FUND

For the Fiscal Year Ended June 30, 2013
(Unaudited)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
Beginning Budgetary Fund Balance:	\$ 79,707	\$ 79,707	\$ 79,707	\$ -
Charges for Services:				
Fire Department Fees	900	900	2,650	1,750
Permit fees	-	-	10	10
Total Charges for Services	\$ 900	\$ 900	\$ 2,660	\$ 1,760
Intergovernmental-Local:				
Franchise tax	23,605	23,605	35,827	12,222
Police Fines	14,265	14,265	17,155	2,890
Total Intergovernmental-Local	\$ 37,871	\$ 37,871	\$ 52,982	\$ 15,112
Intergovernmental-State:				
Sales tax	93,009	93,009	109,689	16,680
Tobacco Tax	2,021	2,021	2,271	250
State Grants	-	-	-	-
Alcohol beverage tax	5,170	5,170	5,927	757
Total Intergovernmental-State	\$ 100,200	\$ 100,200	\$ 117,886	\$ 17,687
Intergovernmental - Federal:				
Federal grants	\$ -	\$ -	\$ -	\$ -
Miscellaneous Revenue:				
Interest	128	128	115	(13)
Rental	2,430	2,430	2,900	470
Royalty	7,044	7,044	6,678	(366)
Reimbursements	-	-	-	-
Donations	-	-	-	-
Miscellaneous	-	-	2,431	2,431
Total Miscellaneous Revenue	\$ 9,602	\$ 9,602	\$ 12,125	\$ 2,523
Non-Revenue Receipts:				
Transfers from other funds	\$ -	\$ -	\$ -	\$ -
Amounts available for appropriation	<u>\$ 228,280</u>	<u>\$ 228,280</u>	<u>\$ 265,361</u>	<u>\$ 37,081</u>
Charges to Appropriations:				
Personal Services	\$ 133,000	\$ 133,000	\$ 89,780	\$ 43,220
Maintenance & Operations	70,000	70,000	55,755	14,245
Capital Outlay	25,280	25,280	8,070	17,210
Debt Service	-	-	-	-
Total Other	\$ 228,280	\$ 228,280	\$ 153,604	\$ 74,675
Other Financing Uses:				
Transfers to other funds	\$ -	\$ -	\$ -	\$ -
Total Charges to Appropriations	<u>\$ 228,280</u>	<u>\$ 228,280</u>	<u>\$ 153,604</u>	<u>\$ 74,675</u>
Ending Budgetary Fund Balance	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 111,756</u></u>	<u><u>\$ 111,756</u></u>

TOWN OF BINGER AND PUBLIC TRUST
Binger, Oklahoma

BUDGETARY COMPARISON SCHEDULE-Modified Cash Basis
CLINIC FUND
For the Fiscal Year Ended June 30, 2013
(Unaudited)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
Beginning Budgetary Fund Balance:	\$ 52,290	\$ 52,290	\$ 52,290	\$ -
Revenues:	-	17,148	17,148	-
Total Revenues	<u>-</u>	<u>\$ 17,148</u>	<u>\$ 17,148</u>	<u>\$ -</u>
Non-Revenue Receipts:				
Transfers from other funds	\$ -	\$ -	\$ -	\$ -
Amounts available for appropriation	<u>\$ 52,290</u>	<u>\$ 69,438</u>	<u>\$ 69,438</u>	<u>\$ -</u>
Charges to Appropriations:				
Personal Services	-	-	-	-
Maintenance & Operations	\$ 15,000	17,819	1,116	16,703
Capital Outlay	37,290	51,619	1,984	49,635
Debt Service	-	-	-	-
Total Other	<u>\$ 52,290</u>	<u>\$ 69,438</u>	<u>\$ 3,100</u>	<u>\$ 66,338</u>
Other Financing Uses:				
Transfers to other funds	\$ -	\$ -	\$ -	\$ -
Total Charges to Appropriations	<u>\$ 52,290</u>	<u>\$ 69,438</u>	<u>\$ 3,100</u>	<u>\$ 66,338</u>
Ending Budgetary Fund Balance	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 66,338</u></u>	<u><u>\$ 66,338</u></u>

TOWN OF BINGER AND PUBLIC TRUST
Binger, Oklahoma

BUDGETARY COMPARISON SCHEDULE-Modified Cash Basis
STREET & ALLEY FUND
For the Fiscal Year Ended June 30, 2013
(Unaudited)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Beginning Budgetary Fund Balance:	\$ 72,577	\$ 72,577	\$ 71,299	\$ (1,277)
Revenues:	-	29,681	34,710	5,029
Total Revenues	\$ -	\$ 29,681	\$ 34,710	\$ 5,029
Non-Revenue Receipts:				
Transfers from other funds	\$ -	\$ -	\$ -	\$ -
Amounts available for appropriation	\$ 72,577	\$ 102,258	\$ 106,009	\$ 3,751
Charges to Appropriations:				
Personal Services	-	19,191	16,833	2,359
Maintenance & Operations	22,577	33,066	23,770	9,296
Capital Outlay	50,000	50,000	2,794	47,207
Debt Service	-	-	-	-
Total Other	\$ 72,577	\$ 102,258	\$ 43,396	\$ 58,862
Other Financing Uses:				
Transfers to other funds	\$ -	\$ -	\$ -	\$ -
Total Charges to Appropriations	\$ 72,577	\$ 102,258	\$ 43,396	\$ 58,862
Ending Budgetary Fund Balance	\$ -	\$ -	\$ 62,613	\$ 62,613

TOWN OF BINGER AND PUBLIC TRUST
Binger, Oklahoma

BUDGETARY COMPARISON SCHEDULE-Modified Cash Basis
REAP GRANT FUND
For the Fiscal Year Ended June 30, 2013
(Unaudited)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
Beginning Budgetary Fund Balance:	\$ -	\$ -	\$ -	\$ -
Revenues:	-	59,000	59,000	-
Total Revenues	\$ -	\$ 59,000	\$ 59,000	\$ -
Non-Revenue Receipts:				
Transfers from other funds	\$ -	\$ -	\$ -	\$ -
Amounts available for appropriation	\$ -	\$ 59,000	\$ 59,000	\$ -
Charges to Appropriations:				
Personal Services	-	-	-	-
Maintenance & Operations	-	-	-	-
Capital Outlay	-	59,000	58,999	1
Debt Service	-	-	-	-
Total Other	\$ -	\$ 59,000	\$ 58,999	\$ 1
Other Financing Uses:				
Transfers to other funds	\$ -	\$ -	\$ -	\$ -
Total Charges to Appropriations	\$ -	\$ 59,000	\$ 58,999	\$ 1
Ending Budgetary Fund Balance	\$ -	\$ -	\$ 1	\$ 1

TOWN OF BINGER AND PUBLIC TRUST
Binger, Oklahoma

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE-Modified Cash Basis
BINGER PUBLIC WORKS AUTHORITY
For the Fiscal Year Ended June 30, 2013
(Unaudited)

Operating Revenues:

Charges for services:

Water, sewer and sanitation	\$ 245,305
Tap Fees	500
Miscellaneous	5,783
Total Operating Revenues	<u>\$ 251,588</u>

Operating Expenses:

Personal Services	\$ 115,504
Maintenance and Operations -	
Water	27,353
Sewer and Sanitation	12,641
Other	94,160
Total Operating Expenses	<u>\$ 249,659</u>

Operating Income (Loss) \$ 1,929

Non-Operating Revenues (Expenses):

Investment income	\$ 171
Grant Revenue	3,999
Grant Expense	
Meter Deposits	2,902
Meter Refunds	(2,390)
Capital outlay	-
Miscellaneous, Other than Operating	14
Debt service - Other (Net)	(9,684)
Debt Service - Revolving Loan Fund Rural Business Development Expense	(1,571)
Total Non-Operating Revenues (Expenses)	<u>\$ (6,558)</u>

Net Income (Loss) Before Contributions and Transfers **\$ (4,630)**

Capital contributions	-
Transfers in	-
Transfers out	<u>-</u>

Changes in Fund Balance **\$ (4,630)**

Fund Balance - beginning **\$ 138,904**

Fund Balance - ending **\$ 134,274**

TOWN OF BINGER AND PUBLIC TRUST
Binger, Oklahoma

SCHEDULE OF GRANT ACTIVITY-MODIFIED CASH BASIS
For the Fiscal Year Ended June 30, 2013
(Unaudited)

	<u>Award Amount</u>	<u>Prior Year(s) Receipts</u>	<u>Prior Year(s) Disbursements</u>	<u>Beginning of Year Unexpended Grant Funds</u>	<u>Current Year Receipts</u>	<u>Current Year Disbursements</u>	<u>End of Year Unexpended Grant Funds</u>
TOWN:							
OK Department of Agriculture Fire Operations Grant	4,484	-	-	-	4,484	4,484	-
Town Subtotal	<u>\$ 4,484</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,484</u>	<u>\$ 4,484</u>	<u>\$ -</u>
PUBLIC TRUST:							
Association of South Central Oklahoma Government REAP Binger-12	45,000	-	-	-	45,000	45,000	-
REAP Binger-13	25,400	-	-	-	14,000	14,000	-
Trust Subtotal	<u>\$ 70,400</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 59,000</u>	<u>\$ 59,000</u>	<u>\$ -</u>
Overall Totals	<u><u>\$ 74,884</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 63,484</u></u>	<u><u>\$ 63,484</u></u>	<u><u>\$ -</u></u>